

ORDINANCE NO. A-428

AN ORDINANCE ENTITLED "AN ORDINANCE PROVIDING FOR
THE LEASING OF THE CITY LIGHT AND POWER PLANT TO
CONWAY CORPORATION"

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS:

SECTION 1. That the City of Conway, Arkansas does hereby lease unto Conway Corporation the light and power plant and system owned by **said** City, said lease being **as is** hereinafter set out, **and the** Mayor and Clerk-Treasurer of said City shall **be**, and they hereby are, authorized and directed to execute, acknowledge and deliver the **same** in the name and on behalf of the City of Conway and to affix thereto the corporate seal of the City of Conway, said lease being as follows, to-wit:

L E A S E

The following lease made and entered into by and between the City of Conway, Arkansas, hereinafter designated as lessor, and Conway Corporation, hereinafter designated as lessee, WITNESSETH:

The lessor does hereby lease and rent, for the consideration hereinafter set forth, unto the lessee the following real estate and personal property, to-wit:

Lots 1, 2, 3 and 7, Block 22, of Robinson's Plan of Conway, Arkansas, and the electric light plant owned and heretofore leased by the lessor to the lessee, together with all buildings, machinery, appliances, tools and apparatus connected therewith or belonging thereto, and **also all poles, wires, transformers and apparatus of every kind and nature used for conducting the current from said plant in the City of Conway, and elsewhere;**

For a term beginning on July 1st, 1966, and ending July 1st, 1991.

And for the rent of said property, *the* lessee agrees and promises to pay to the lessor the **sum** of NINE THOUSAND AND NO/100 DOLLARS (\$9,000.00) per year which rental shall be paid in equal monthly installments on the last day of each calendar month during the term of this lease. And the lessee further agrees that **it** will, throughout the period of this lease, keep and maintain in good repair all street lights now being used by the lessor, and will furnish to the lessor, free of any charge whatever, sufficient current to operate properly all street lights in said City, and **will also** furnish to the lessor, free of charge, any and **all** electrical current necessary for ~~the~~ operation of the sewer plant of both sewer districts of Conway; and the lessee also agrees to furnish to the lessor, free of charge, electrical current for lighting the city Hall now owned by the lessor, or any City Hall that should hereafter ~~be~~ occupied by the lessor during the term of this lease, and for lighting any other public buildings or property that may be owned or controlled by lessor during the period of this lease.

The lessee agrees that **it will** at all times, during the period of this lease, maintain the said light and power plant and **all** machinery and apparatus therein and **all** wires and poles for conducting the electrical current therefrom in a high degree of

efficiency, and that **it will** at its own expense from time to time replace and substitute by exchange worn out or defective or inadequate machinery, wires, poles or appliances, to the end that the said light and power plant and **all** machinery, apparatus, poles, wires and equipment connected therewith shall at all times during the term of this lease and at the termination thereof be in as good condition for giving service as same are now in, necessary wear and tear alone being excepted. It is expressly provided that the Conway Corporation shall have full power and authority to remove, salvage, destroy, sell or otherwise dispose of any and **all** equipment and facilities which, in its discretion, are no-longer required for, of utility to, or beneficial to the system, and which at the time of such disposal are situated without the corporate limits of the City of Conway.

At the expiration of the term of **this** lease, all property hereby leased, together with any additions thereto or replacements thereof, made by said Conway Corporation and all supplies and all other net assets of Conway Corporation, shall be surrendered to the City of Conway.

The lessee further agrees that **it will**, during the term of this lease, **make** all necessary additions and extensions to the machinery, apparatus, poles, wires and equipment of said system and that **it will**, through its own production or by purchase, make available to customers, such additional electric current as shall be necessary to take care of any increased business of said plant caused by the growth of the City of Conway, or otherwise, during the term of **this** lease; provided, however, that the maximum expenditure which the city may require during any year shall be computed in the following manner: That the maximum cost of such additions and extensions, together with the then value of the plant shall bear the same proportion to the value of the plant as fixed by an audit to be made of said plant as of **July 1, 1966** as the **gross** revenues of said plant for a period of twelve months next preceding the time of making said additions and extensions bears to the **gross** revenues of said plant for the period of twelve months next preceding **July 1, 1966**.

It is expressly understood and agreed, however, that nothin herein shall be construed to prevent said Corporation from making expenditures for such machinery, apparatus, equipment, additions and extensions in excess of the amount hereinabove set forth if said corporation has or can acquire funds with which to do the same, unless and until lessor, by resolution or ordinance adopted by its City Council for that purpose, shall delimit or prevent such expenditures when, in its opinion, such expenditures will jeopardize or unduly tax the financial ability of lessee,

The lessee shall at all times during the term of this lease keep an accurate set of books in a manner to be approved by the Mayor of the City of Conway, showing all receipts and expenditures of said corporation, and said books shall at all times be open to inspection by the Mayor and members of the City Council of the City of Conway, or its designated agents. The Mayor and the members of the City Council of the City of Conway, or its designated agents shall have the right at all times to go upon the property of the said light and power plant and make such inspection thereof as they may deem proper.

In witness whereof, this lease has been executed on behalf of the City of Conway, and the corporate seal of said City affixed hereto by its Mayor and its City Clerk, hereunto duly authorized by ordinance of the City Council of the City of Conway, andhas been executed by the Conway Corporation and the corporate seal of said Conway Corporation affixed hereto by its President and its Secretary, hereunto duly authorized by resolution of the board of directors of the said Conway Corporation, on this ___ day of _____, 19__; it being distinctly understood and agreed, however, that neither the said Mayor nor City Clerk, nor the said President nor the said Secretary of the said Conway Corporation shall in any manner be personally liable or responsible hereunder.

CONWAY CORPORATION

CITY OF CONWAY

By _____
Its President

By _____
Its Mayor^{or}

Its Secretary

Its City Clerk

SECTION TWO, All ordinances and parts of ordinances in conflict herewith be and the same hereby are repealed and this ordinance shall be in force from and after its passage and publication,

PASSED: 3-8-64

APPROVED: *Walter D. ...*
Mayor

ATTEST: *John ...*
City Clerk

